

# ORIGINAL

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

In the Matter of )  
 )  
Revision of ) CC Docket No. 96-23  
Filing Requirements )  
 )

DOCKET FILE COPY ORIGINAL

COMMENTS

AT&T Corp. ("AT&T") respectfully submits the following comments in response to the Commission's notice of Proposed Rulemaking ("NPRM"), FCC 96-64, released February 27, 1996. AT&T supports the proposals in the NPRM to reduce regulatory burdens by eliminating certain required filings, and proposes reducing the frequency of others to an even greater extent.

1. Divestiture-Related Reports

The Commission (NPRM, ¶3) proposes eliminating several divestiture-related reports.<sup>1</sup> In particular, Condition 10 of the AT&T Divestiture Order currently requires AT&T and the RHCs to submit the Construction Budget

---

<sup>1</sup> Although the Equal Access Progress Report is there stated to be required of AT&T and the Regional Holding Companies ("RHCs"), it is in fact required only of the RHCs. AT&T Divestiture Order, 96 FCC 2d 18, 91 (1983), modified, 98 FCC 2d 141 (1984). In any event, AT&T's comments and reply comments in response to the Commission's Public Notice dated June 14, 1995 supported Bell Atlantic's request for relief from that filing requirement.

Not Copied  
10/2/96

24

Summary and other technical and network information.<sup>2</sup> The Commission originally required that information in order to permit it to identify and respond to any unforeseen effects on service.<sup>3</sup> Because there have been no such effects on AT&T's service since 1984, and because the competitive interexchange marketplace is an effective guarantor that customers will continue to receive high quality service, AT&T agrees that the Commission should eliminate this filing obligation as to AT&T.

Additionally, the Commission proposes to eliminate the annual National Security and Emergency Preparedness ("NSEP") report. AT&T proposed this relief in filings responding to the Commission's June 14, 1995 Public Notice. As demonstrated there, AT&T and many other carriers are represented on the National Coordinating Center for Telecommunications, as is the Commission, as well as on other NSEP task forces and advisory committees. Such activities obviate the need for any special NSEP reports.<sup>4</sup>

---

2 96 FCC 2d at 92. AT&T reads the NPRM as proposing to terminate Condition 10 in its entirety, not merely the requirement therein to file the Construction Budget Summary.

3 96 FCC 2d at 84.

4 Because the Commission incorporated those responsive filings into this rulemaking docket so that commenters need not file again (NPRM, n.6), AT&T does not repeat here the detail previously provided in support of that relief.

2. CPE and Enhanced Services Non-Discrimination Reports.

The Commission proposes (NPRM, ¶¶4 and 6) to end the requirement that AT&T submit reports intended to reveal any discrimination in its provision of installation and maintenance between customers of certain AT&T services that use AT&T CPE and enhanced services and those that use non-AT&T offerings. The Commission is correct that the analog private line services, which are all that remain subject to these requirements, are so rarely used that the reports serve no relevant purpose.<sup>5</sup>

Although not explicitly stated in the NPRM, AT&T also suggests that the Commission's order in this proceeding clarify that the related AT&T annual affidavits are also eliminated. One of those affidavits affirms that the quarterly reports are true and that AT&T has not discriminated in analog private line installation and maintenance between customers of its own and others' enhanced services. The second affidavit affirms that AT&T has followed the installation procedures in its Open Network

---

5 The seven quarterly reports furnished by AT&T for 1994 and 1995 contain the data regarding both CPE and enhanced services; the report for the fourth quarter of 1995 has not yet been filed. These reports show no installation activity, whether in connection with AT&T or other CPE and enhanced services, and thus no possibility of discrimination. Only the report for the first quarter of 1994 shows maintenance activity in connection with AT&T CPE; none show maintenance activity in connection with AT&T enhanced services.

Architecture plan and has not discriminated in the quality of network services used by competing enhanced services providers.<sup>6</sup> Neither of these affidavits is necessary, given that the reports themselves are superfluous.

3. Equipment Blockage and Failure Report

The NPRM (§5) reports that 98% of the nation's telephone lines have been converted to equal access.<sup>7</sup> Thus, the Commission is plainly correct that this report, which disaggregates blockage and failure data between equal access and non-equal access lines, does not serve any relevant purpose.<sup>8</sup>

4. Circuit Report

Like its non-dominant interexchange competitors, AT&T is subject to the requirement to file semi-annual after-the-fact reports containing the detail specified in §63.07 of the Commission's Rules (47 C.F.R. §63.07). AT&T agrees with the Commission (NPRM, ¶11) that there is no

---

6 These affidavits are mandated by Amendment to Sections 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry), 3 FCC Rcd 1150 (1988). See n.148 on p.1173 regarding the annual affidavit certifying the quarterly reports and p.1159 regarding the annual affidavit on compliance with the ONA plan.

7 The cited 98% figure at the end of 1994 is the latest available. The 1995 percentage will likely be higher, but the actual number is not now available.

8 The requirement that AT&T file these reports is in Policies and Rules Concerning Rates for Dominant Carriers, 4 FCC Rcd 2873, 2955 (1989). The NPRM (§5 and n.14) cites the requirement applicable to the LECs.

longer any need for the Commission to routinely gather data relevant to a public interest assessment of each carrier's facilities investment decisions. The competitive interexchange services market drives each carrier to establish the facilities optimally needed to serve customers and affords customers ample choice among service providers. Moreover, the burden on carriers and Commission staff in collecting, producing and administering this information is not trivial. The NPRM notes that the reports the Commission has been receiving run about 500 pages (id.). This year, AT&T's first circuit report<sup>9</sup> will add well over 100 pages to the Commission's files.<sup>10</sup>

#### 5. Payphone Compensation Report

The quarterly reports submitted by AT&T contain the total number of calls and the total compensation paid under the per call method allowed by the AT&T waiver cited in the NPRM (§19 and n.34). As expected, dividing the

---

<sup>9</sup> Commission staff agreed that the information on AT&T construction and acquisition during the brief period between the effective date of the Order in Motion of AT&T Corp. to be Reclassified as a Non-Dominant Carrier, FCC 95-427, released October 23, 1995, and the end of 1995 will be included in AT&T's semi-annual report for the first six months of 1996.

<sup>10</sup> Unless a decision in this proceeding is released by about the end of June, 1996, AT&T suggests that the Commission issue a blanket waiver of the August 1, 1996 filing deadline for the next report in order to cut-off work which is likely to be unnecessary. Such a waiver could provide that, if the Commission decides to retain the circuit reporting obligation, the February 1, 1997 report must cover all of 1996.

dollars of compensation by the number of calls shows that the per call rate is indeed 25 cents, as the AT&T waiver requires. AT&T's reports also show no disputes with private payphone providers compensated on the per-call basis.

The Commission's experience justifies going further than the proposal in the NPRM to reduce the frequency of this reporting to semi-annually. Instead, requiring an exception report in the event the compensation rate is not 25 cents, or if any dispute with a payee arises, should suffice to assure that the process permitted by the AT&T waiver order is working as intended. If this AT&T proposal is not accepted, the Commission should reduce the frequency of the present report to annually.

6. Report of Unsecured Credit to Political Candidates.

The Commission seeks comment on whether reducing the frequency from semi-annually to annually of the report required by §64.804(g) of the Commission's rules would sufficiently meet the purposes of §401 of the Federal Election Campaign Act of 1971 (Pub. L. No. 92-225). That statute directed the Commission to issue regulations regarding the extension of unsecured credit to political candidates in connection with the campaigns of such candidates. The Commission explained that the purpose of this statute was to prevent large unpaid balances remaining

outstanding after an election campaign, as had occurred after the 1968 campaign.<sup>11</sup>

Implementing this purpose, the Commission's rules (47 C.F.R. §64.804) require non-discrimination regarding extension of unsecured credit among candidates for the same office and detail the required collection efforts if bills are unpaid. The report required by subsection (g) of §64.804 permits the Commission to monitor the carrier's compliance with such collection efforts. The reports submitted by AT&T show only very small uncollected amounts regarding any candidate and also show appropriate collection efforts. In AT&T's case at least, reducing the reporting frequency to annually would be adequate to serve the statutory purpose. Moreover, a rule requiring such a report only after each primary and election would still serve that purpose at even less cost and burden to the Commission and affected carriers.

---

<sup>11</sup> This explanation appears in the NPRM in Matter of Amendment to Part 64 of the Rules, 33 FCC 2d 999 (1972). The Order in that proceeding added that, because Congress wanted to avoid unduly favoring affluent candidates, it did not prohibit unsecured credit entirely. 34 FCC 2d 768, 769 (1972).

CONCLUSION

The proposals in the NPRM to eliminate reports required of AT&T should be adopted. As urged in these Comments, the Commission should reduce the frequency of other such reports to a greater extent than proposed in the NPRM.

Respectfully submitted,

AT&T Corp.

By: \_\_\_\_\_

*Ernest A. Gleit*

Mark C. Rosenblum

Peter Jacoby

Ernest A. Gleit

Its Attorneys

Room 3252F3

295 North Maple Avenue

Basking Ridge, NJ 07920

(908) 221-3053

Dated: April 8, 1996